



ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETING

3/10/21 7:30 PM

Conducted by Remote Participation - Zoom Meeting

ATTENDEES:

Gibian	p	Padaria	p	Pokress		Kellar	p	McKenna	p
Blundell	p	Wallach	p	Harmer	p	Tosti	p		
Ellis	p	Foskett	p	Deyst		Kocur	p		
White		Beck	l	Jones	p	Deshler	p		
Franclemont	p	Howard	p	LaCourt	p	Carman	p	Diggins	p

p Indicates present, l indicates late

VISITORS: Capital Planning Committee members: Joe Barr, Ida Cody, Kate Leary, Kate Loosian, Phyllis Marshall, Angela Olszewski, Sandy Pooler, Jon Wallach, Julie Wayman, Timur Yontar

1. INTRODUCTION: Foskett read the rules for the meeting as formulated by Town Counsel based on the Governor's authorization. An important rule is that all votes be by role call. Attendance was taken by roll call.

Note: A vote of "unanimous" means "unanimous vote by all present". The Chair votes only when there is a tie.

2. MINUTES of 3/8/21 accepted unanimously.

HEARINGS

ART 63 CAPITAL BUDGET: CPC Chair Yontar, introduced the committee members present. He outlined the CBC presentation (Ref 1) and reviewed the purpose and organization of the committee. He stated that the cost of the DPW yard along with the need for school and road maintenance forced the CBC to overhaul the 5 yr plan, deferring park and library work. CBC subcommittee members explained sections of the plan that they were familiar with. Pooler covered the completed and ongoing capital work and showed that the bottom line is close to 5% of the Town's budget. Olszewski described how CPC is working with the CAPC to maintain playgrounds and fields. Yontar reviewed police & fire capital expenses. Pooler explained that, over all, the Town makes a small profit on its rental buildings even allowing for the Community Center renovation debt. He showed the savings from LED street lighting. Leary provided more details on the playgrounds and parks. Cody discussed future work on the libraries, some of which may be paid from private sources. Barr said that the Capital plan will

cover 7% of the Municipal Yard plan. The Town spending is not "quite" keeping up with roadway maintenance. Marshall detailed the plan to re-appropriate \$229k unused borrowed funds. Yontar presented a summary of CPC's recommendations for the top level of funding detail.

Members asked many questions. Brief answers follow. There is no clear rule on whether IT costs should be capital expenses. Pooler to help Jones understand the structure of the recommended vote. Fox Library concept is the work of an advisory committee. Not mixed use as urged by Master Plan. Pooler will provide the result. The plan has not been done. Ryder St bldg. will be used for DPW personnel during DPW construction. Subsequent use not decided. The Highland St Fire Station renovation was too long ago to seek reimbursement for damage to marble. Whether to continue the Urban Renewal management of 23 Maple St & Community Center is being considered. What to do about loss of rental income caused by temporary housing of personnel being displaced by construction is being discussed. Pooler will provide detail of the exempt debt.

ART 63 CAPITAL BUDGET:

VOTED as recommended by Yontar on presentation page 43. Unanimous

ART 64 RESCIND BORROWING:

VOTED no action as recommend by Marshall. Unanimous

ART 51 TRANSFER OF FUNDS CEMETARY: VOTED to transfer \$10,000 from Perpetual Care to Capital Budget and to support the Five Year Plan as requested by Yontar. Unanimous

BUDGETS

DPW: PubWorks SubCom Deshler recommended the Natural Resources budget as printed. An extensive discussion followed concerning the mismatch between maintenance actuals in previous years and budget in next year. There may be a limitation in the handling of encumbrances in the development of the budget book. A different UNIS report shows the DPW expense line items similar from year to year.

Deshler to write to Chapdelaine & Pooler to request them to address this when they next come to the FinCom.

FIELD MAINTENANCE: PubWorks SubCom Deshler recommended this budget as printed. The teams that use the fields make additional payments.
VOTED \$50,000 Unanimous.

15. RESERVE FUND BALANCE: \$1,556,724

COMMITTEE:

The meeting adjourned at 9:58 PM.

Peter Howard
3/11/21

Ref 1 CPC Presentation

Capital Planning Committee

Capital Budget FY2022 and Capital Plan FY2022–FY2026

A Presentation to the Arlington Finance Committee
March 10, 2021



Capital Planning Committee

Attendees

- Joe Barr
- Ida Cody
- Kate Leary
- Kate Loosian
- Phyllis Marshall
- Michael Mason
- Chris Moore
- Angela Olszewski
- Sandy Pooler
- Jon Wallach
- Julie Wayman
- Timur Kaya Yontar

Agenda

- Who We Are
- What We Do
- Actions Requested
- Overview & Significant Issues
- Capital Plan Progress
- Town Budget; Five-Year Plan within 5% Rule
- Detail on Current Recommendations
 - Coordination with CPA Committee
 - Community Safety, Town-Owned Rental Buildings, Community Center, Schools, Recreation, Libraries, Public Works
- Rescission of Prior Borrowing; Re-appropriations
- Actions Requested (recap) and Recommended Vote

Who We Are

Membership

Citizen Appointees

- Timur Kaya Yontar – Chair
- Chris Moore – Vice Chair
- Joe Barr – Recording Secretary
- Kate Leary
- Kate Loosian
- Angela Olszewski

Finance Committee Designee

- Jon Wallach

Town Officials

- Ida Cody – Comptroller
- Phyllis Marshall – Treasurer
- Michael Mason – APS CFO
- Sandy Pooler – Deputy Town Manager
- Julie Wayman – Management Analyst (non-voting)

Who We Are

Committee Organization 2020–2021

Capital Planning Committee Organization



As Arlington's Management Analyst, Julie Wayman provides leadership, coordination, and support from the Town Manager's office.

What We Do

Why Capital Planning?

- To set and meet the long-range expectations
...of Town officers and management, the Finance Committee, Town Meeting, and citizens
...for current and future capital expenditures;
- To reduce or eliminate uncertainty about the acquisition of capital assets;
- To facilitate prioritization, in timing and/or spend, of some capital expenditures over others as part of the budgeting process; and
- To give Town Meeting and citizens comfort while spending large sums of taxpayer money.

What We Do

Arlington Capital Planning Practice

Create a Five-Year Plan in which non-exempt capital spend is budgeted at 5% of adjusted Town revenue, by:

- Soliciting capital requests from Town Departments for the upcoming fiscal year and the four fiscal years following;
- Meeting with Departments and Facilities to gain further clarity and detail, then discussing and prioritizing in the full committee; and
- Forecasting future years' budgets to effectively plan and pace capital expenditures.

- 34-year history of successful capital planning, within budget.
- 5% Rule has met the Town's needs, guided fiscal discipline, and is in line with practice at other municipalities.
- Requests from Town and Schools are made with their knowledge of operating pressures.

Actions Requested of the Finance Committee

- Vote favorable action on our recommended budget and re-appropriation.
- Support the Five-Year Plan.
- Transfer \$10,000 from Perpetual Care to Capital Budget.

Overview & Significant Issues

FY22 Budget and FY22–26 Plan at 5%

- FY22: \$11M for Capital (before offsets)
 - Considerable achievements for the Town – detail follows
- Facing a number of challenges
 - School facilities – substantial upkeep needed
 - Rising expectations by Departments and citizens
 - Cost estimates escalating – labor, materials, regulations
 - Roads & sidewalks – state of repair
- This Plan felt tight
 - DPW Yard – total debt service ~\$2M/year
 - ~\$500k due to cost increase approved at 2020 Special Town Meeting
 - Initial asks were ~\$5M over Five-Year Plan's \$48M limit

Overview & Significant Issues (cont'd)

To make it fit...

- All CPC members prioritized every line item, to create ranked list
 - Coordinated delays/cuts with Town Manager's office
- Main scope reductions
 - Libraries: Cannot renovate 2 libraries at the same time
 - Remove Robbins from Plan and delay Fox by 1 year
 - Schools (facilities upkeep): Uncertainty around needs, cost, timing
 - Remove line items from Plan and fund FY22 engineering study
 - Set aside Plan capacity; based upon results, will add line items back to future Plans
 - DPW: increased road & sidewalk funds, but still not quite keeping pace
 - Delays/cuts spanned all departments (Rec, Facil, Redevel, Publ Safety)

Looking ahead

- Match expectations of project budgets/timing with Town resources

Capital Plan Progress

Recent realized benefits from Capital Plan Projects:

- Roadways & Sidewalks
- Water & Sewer Improvements
- New Ambulance
- New Fire Pumper
- VOIP phone system
- Reservoir Filtration Plant
- Parmenter School renovations
- Lake Street signals
- Center sidewalks
- Munis/Financial Software v.2019

Capital Projects in process:

- Water & Sewer Improvements
- Roadways & Sidewalks
- Community Center
- DPW building
- Mystic Street Bridge
- Munis/Financial Software W/S
- Police Radio
- Lake Street signals
- Whittemore Robbins, etc.
- Town Hall Steps
- High School (exempt)

Reconciliation to Town Budget

Five Year Plan

Year	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Total Town Budget	\$184,556,163	\$191,372,765	\$199,854,555	\$209,271,478	\$217,731,363
Adjust for Water Sewer	(\$1,845,727)	\$0	\$0	\$0	\$0
Adjust for Exempt Debt Service	(\$6,311,155)	(\$6,208,358)	(\$6,109,781)	(\$5,998,851)	(\$5,998,851)
Adjust for Enterprise Funds	(\$2,728,068)	(\$2,816,730)	(\$2,908,274)	(\$3,002,793)	(\$3,100,384)
Adjusted Total Town Budget	\$173,671,213	\$182,347,677	\$190,836,500	\$200,269,834	\$208,632,128

- As of 1/15/21 – Five-Year Plan is a dynamic document.

Five-Year Plan within 5% Rule

Fiscal Year	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
Prior Non-Exempt Debt Service	\$7,063,282	\$6,699,193	\$6,297,226	\$5,730,475	\$5,967,760	\$31,757,937
Cash	\$3,959,297	\$2,953,369	\$3,566,859	\$4,439,241	\$4,401,723	\$19,320,489
New Non-Exempt Debt Service (FY22 & after)	\$0	\$605,703	\$832,531	\$1,065,569	\$1,301,619	\$3,805,422
BAN Interest and Principal	\$0	\$0	\$28,750	\$28,750	\$0	\$57,500
Total Non-Exempt Tax Burden	\$11,022,579	\$10,258,265	\$10,725,366	\$11,264,035	\$11,671,102	\$54,941,348
<i>Direct funding sources:</i>						
Rink Enterprise Funds	(\$54,156)	(\$52,056)	(\$50,106)	(\$48,306)	(\$17,247)	(\$221,872)
Ambulance Revolving Fund	(\$97,095)	(\$94,231)	(\$66,742)	(\$139,378)	(\$134,389)	(\$531,835)
Capital Carry Forwards	(\$539,066)					(\$539,066)
Antenna Funds	(\$206,268)	(\$198,584)	(\$192,694)	(\$182,009)	(\$166,891)	(\$946,447)
Urban Renewal Fund	(\$45,744)	(\$44,144)	(\$42,544)	(\$40,944)	(\$34,494)	(\$207,869)
Recreation Enterprise Fund	\$0	\$0	(\$89,000)	(\$89,000)	(\$89,000)	(\$267,000)
Asset Sale Proceeds	(\$750,000)					(\$750,000)
<i>Adjustments to 5% Plan:</i>						
Roadway Reconstruction Override 2011	(\$499,545)	(\$512,033)	(\$524,834)	(\$537,955)	(\$551,404)	(\$2,625,772)
Accessibility Improvements Override 2019	(\$205,000)	(\$210,125)	(\$215,378)	(\$220,763)	(\$226,282)	(\$1,077,547)
Debt service, Town-owned Rental Properties	\$0	(\$13,750)	(\$13,375)	(\$13,000)	(\$12,625)	(\$52,750)
Net Non-Exempt Plan	\$8,625,705	\$9,133,342	\$9,530,693	\$9,992,680	\$10,438,770	\$47,721,190
Pro Forma Budget	\$173,671,213	\$182,347,677	\$190,836,500	\$200,269,834	\$208,632,128	\$955,757,352
Budget For Plan at 5%	\$8,683,561	\$9,117,384	\$9,541,825	\$10,013,492	\$10,431,606	\$47,787,868
Plan as % of Revenues	4.97%	5.01%	4.99%	4.99%	5.00%	4.99%
Variance From Budget	\$57,855	(\$15,958)	\$11,132	\$20,812	(\$7,164)	\$66,677

Coordination with the CPAC

Approved Projects FY22

These projects had also been requested in the Capital Budget

Project Title	Applicant(s)	Appropriation
Community Housing		
Drake Village Renovation	Arlington Housing Authority	\$ 251,793
Leasing Differential	Somerville Homeless Coalition	\$ 27,228
Open Space/Recreation		
North Beach Ramp at Spy Pond Park	Conservation Commission	\$ 40,000
Hurd Field	Recreation Department	\$ 1,493,026
Public Land Management	Dept. of Planning and Community Development	\$ 30,000
Spy Pond Playground	Recreation Department	\$ 490,883
Historic Preservation		
Foot of the Rocks - study	Allan Tosti + Town Manager's Office	\$ 50,000
Preservation of the Jason Russell House	Arlington Historical Society	\$ 249,625
Old Schwamb Mill Barn Envelope Structural Engineer Report	Schwamb Mill Preservation Trust	\$ 55,000
PROJECTS TOTAL		\$ 2,687,555

Coordination with CPAC

Looking Ahead to FY23

- Capital Plan typically funds School playgrounds
- CPAC takes “first look” at Town playgrounds & fields; if insufficient budget capacity, sends to Capital Planning for consideration or delay
- CPAC was able to approve Hurd Field Phase I and Spy Pond Playground for FY22 by increasing the proportion allotted to Recreation and use of reserves
- Expected cost of Hurd Field Phase II will make it highly unlikely that CPAC will be able to fund other playgrounds in FY23

Detail of Current Recommendations

Community Safety – Police

Ongoing vehicle replacement program

- At \$140k/year, replacing mix of marked, unmarked, and motorcycle units.

Animal Control Vehicle Replacement in FY22: \$45k

- To replace animal control vehicle due to age, mileage and cost to maintain.

Automatic Defibrillators in FY22: \$18k

- To replace automatic external defibrillators utilized by officers. The current units were replaced in FY 2015 and have a life span of 7 years.



Detail of Current Recommendations

Community Safety – Fire

Non-Facilities-Related Requests

- Thermal Imaging Camera replacement in FY22: \$50k
- Records and Reporting System implementation in FY22: \$28k
- Firefighter protective gear in FY22: \$25k
 - Increases to \$30k in FY23
- Automatic External Defibrillators in FY22: \$7k
- Pumper/Engine replacement in FY23: \$625k
- Replacement of Air Supply Vehicle in FY23: \$120k
- Jaws of Life extrication equipment: \$50k replacement on 10-year cycle in FY23



Detail of Current Recommendations

Community Safety – Fire

Park Circle Facilities-Related Requests

- Carpet replacement in FY22: \$10k
- Air Handlers Replacement in FY23: \$51k
- Water Heater replacement in FY23: \$22k
- Apparatus Bay Air Handler replacement in FY23: \$17k
- Apparatus Bay Heating Unit replacement in FY23: \$13k



Detail of Current Recommendations

Community Safety – Fire

Highland Station Facilities-Related Requests

- Exterior Marble replacement in FY22: \$30k
- Replacement of boilers in FY26: \$35k
- Replacement of hot water tank in FY26: \$24k

Central Station Facilities-Related Requests

- Central Station Exterior Waterproofing in FY24: \$100k



Detail of Current Recommendations

Town-Owned Buildings

Urban Renewal Fund – Consists of 3 buildings:

- FY21 Start of Year Balance was \$121,046.68
- **Central School** – Various leases.
- **23 Maple Street** – Lease expired June 30, 2020. Possible future Town use.
- **Jefferson Cutter House** – Arlington Redevelopment Board is in process of creating lease agreements with both tenants.

Town owns and operates four buildings as rental properties:

- **Parmenter School** – Arlington Children's Center occupies back building; lease through June 30, 2024. Front building occupied by the Menotomy Pre-School during AHS project.
- **Dallin Library** – Lease currently expired (beginning negotiations).
- **Ryder Street** – Lease expired in 2020. Future town use for DPW.
- **Mt. Gilboa House** – Tenant recently gave notice of vacating.

Detail of Current Recommendations

Town-Owned Buildings' P&L

Town Owned Buildings Profit/Loss (With Debt)

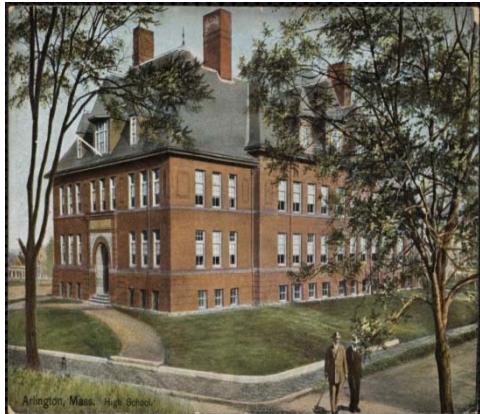
	FY17	FY18	FY19	FY20	Annualized FY21
Urban Renewal	(\$41,827.39)	(\$51,626.41)	(\$101,997.01)	(\$56,522.50)	\$18,471.35
Parmenter School	\$190,220.67	\$215,370.89	\$218,099.64	\$84,924.37	\$54,198.52
Dallin Library	\$43,116.04	\$38,728.29	\$39,322.20	\$44,516.04	\$40,116.04
Ryder Street	\$123,622.55	\$133,580.08	\$194,100.24	\$170,569.97	\$0.00
Mt. Gilboa	\$24,000.00	\$25,711.37	\$12,355.00	\$22,000.00	\$21,000.00
TOTAL	\$339,131.87	\$361,764.22	\$361,880.07	\$265,487.88	\$133,785.91

Town Owned Buildings Profit/Loss (Without Debt)

	FY17	FY18	FY19	FY20	Annualized FY21
Urban Renewal	(\$25,361.50)	(\$7,782.41)	(\$58,153.01)	(\$7,578.50)	(\$28,872.65)
Parmenter School	\$195,320.67	\$215,370.89	\$218,099.64	\$84,924.37	\$54,198.52
Dallin Library	\$43,116.04	\$38,728.29	\$39,322.20	\$44,516.04	\$40,116.04
Ryder Street	\$123,622.55	\$133,580.08	\$194,100.24	\$170,569.97	\$0.00
Mt. Gilboa	\$24,000.00	\$25,711.37	\$12,355.00	\$22,000.00	\$21,000.00
TOTAL	\$360,697.76	\$405,608.22	\$405,724.07	\$314,431.88	\$86,441.91

Community Center Renovations

Project Update



- ~\$8M appropriated to achieve 3 goals: (i) modern, expanded space for the Council on Aging, Arlington Senior Center, and community events; (ii) updated building systems (MEP, exterior envelope, ADA accessibility); (iii) relocation of Veterans' Services from Town Hall to 2nd floor.
- 13-month construction schedule began in spring 2020. MEP systems installation, structural repairs, and exterior envelope work currently ongoing. Substantial completion is on target for May 2021 with occupancy in June.



March 10, 2021

CPC Presentation to the Finance Committee

- Building is partially occupied but operations and services are logically protected through project phasing and use of swing space.
- PTBC is overseeing the project with Vertex as PM.

Arlington High School

Project Update

- Town of Arlington and Consigli Construction (CM) signed a GMP agreement about \$1 million under budget at \$234,287,347. This debt is funded by exclusion vote and is exempt from the Capital Plan.
- In a competitive construction market, subcontractor pricing also allowed the project team to add several value engineering items back, including the Minuteman bikeway connector and field lighting.
- Construction Phase 1 is on schedule. The new Science, Technology, Engineering, Arts, and Mathematics (aka STEAM-wing) is framed and enclosure to enable concrete slabs is underway. The Performing Arts wing framing has begun.
- Construction will be completed over 4 phases, ending in 2025.

Detail of Current Recommendations

Arlington Public Schools

Facilities-Related Requests

- Building security updates: \$100k/year, ongoing
- Engineering study for schools/HVAC: (\$150k FY22) – Hardy, Dallin, Peirce, Bishop, Ottoson facing additional HVAC needs at end of 15–20 year lives
- Initial study of Bishop School envelope (\$30k FY22) will inform FY23 plan updates (\$300k FY23)
- Energy efficiency projects (FY22–25) – \$10k–30k, see next slide
- Brackett Playground Renovation (\$800k FY24)
- Hardy Boiler (\$200k FY25)

Non-Facilities Related Requests

- Bus replacements (\$100k FY22; \$95k FY23)
- Other vehicles/vans per replacement schedules (\$85k FY22; \$90k FY24, \$100k FY25; \$50k FY26)
- Academic information technology equipment, now also supporting COVID-19 and remote instruction (\$400k/year + administrative / software needs, ongoing)
- Software licensing, administrative computers, and network infrastructure (\$100k/year, ongoing)
- Photocopier Leasing (\$120k/year, ongoing)
- Custodial equipment (\$13k/year, ongoing)



Schools

Capital Highlight: Energy Efficiency

Small investments translate into annual savings that help balance larger swings in energy costs.

- FY22: A modest town investment in LED lighting, supported by utility and Green Communities incentives...
- Equates to a very short (~2 years) payback PLUS significantly reduced downtime and maintenance costs associated with fluorescent lighting.

	2022	2023	2024	2025
Town	\$ 30,000	\$ 10,000	\$ 30,000	\$ 20,000
Incentives	\$ 21,660	\$ 19,000	\$ 35,540	\$ 23,180
Grant	\$ <u>57,441</u>	\$ <u>71,000</u>	\$ <u>132,149</u>	\$ <u>78,820</u>
Total Cost	\$ 109,100	\$ 100,000	\$ 197,689	\$ 122,000
Approx. annual savings	\$ 14,265	\$ 12,000	\$ 18,352	\$ 14,640

Detail of Current Recommendations

Recreation – General

ADA Study Implementation Program

- Improve the accessibility of the Town's parks and playgrounds (walkways, playground access, etc.)
- \$50k/year on an ongoing basis

Feasibility Study Program

- Study future upgrades to park and playground facilities
- \$10k/year on an ongoing basis

Playground Audit and Safety Improvements (new request)

- Allows for a certified playground inspector to complete a safety audit of all playgrounds each year, as well as funds for repairs that are identified through this process
- \$25k/year on an ongoing basis (approximately \$4–5k for audit and the remainder for repairs)

Detail of Current Recommendations

Recreation – Playgrounds

Hurd Field Renovation

- Estimate came in at \$2.3M via Stantec Study
- CPA will fund \$1,493,026 in FY22 for Phase 1
- Remainder will be requested in FY23

Spy Pond Park

- CPA will fund \$490,883 in FY22

Future Year Projects

Recreation – Playgrounds

FY23 (and possibly after)

- Hurd Field Phase 2 – \$894,740
- Robbins Farm Slide Replacement (\$200k+) & Robbins Farm Playground (\$500k+)
- CPA unlikely to be able to fund all in FY23

FY24–FY26 (and after)

- Poets' Corner Field and Playground
- Menotomy Rocks Park Playground
- Skateboard Park at McClellan
- Mountain Biking Trail Area
- Scannell Field (near Spy Pond Park)
- Parallel Park and courts
- Parmenter Playground and site

Detail of Current Recommendations

Playgrounds and Fields – with CPA

Increased needs for playground and field renovations

- More children are using facilities as town demographics change.
- Playground Assessment and Recommendation Report by Playground Inspections of New England (November 2019) identified many safety and maintenance concerns.

Funding not keeping pace with increased construction costs

- Code changes and new materials are increasing costs.
- CPA has become primary funding source for non-school recreation facilities; needs will exceed capacity of CPA funding.
- CPA, CPC, Recreation Commission, and the Director of Recreation will discuss planning for future years in light of these recent estimates.

Five-year feasibility study

- The Recreation Department commissioned Stantec to undertake a study of upcoming projects, including cost estimates. It has just been completed. Costs were much higher than placeholder estimates.
- Director of Recreation is in conversation with Stantec about scope and costs.
- Cost estimates will need to be escalated by the department in out-years.

Detail of Current Recommendations

Libraries

Minuteman Library Network (MLN) – \$54,109 in FY22

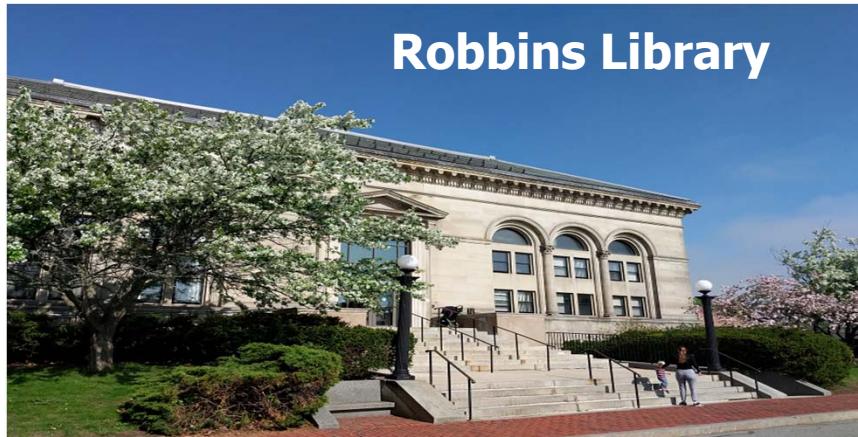
- Funds MLN equipment & licenses needed for connection & compatibility
 - Arlington Libraries ranked 5th in circulation in MLN, and 8th statewide, in FY20
 - E-content circulation has increased significantly (+42% from FY19 to FY20)
- MLN is essential to providing cost-efficient library services including:
 - **Access** – Patrons and staff connect seamlessly to MLN's rich collections through the shared catalog, the Minuteman mobile app, and the Integrated Library.
 - **Value** – MLN connects Arlington to a wider world of resources and savings through collective purchasing and sharing.
 - **Reports and Statistics** – Arlington benefits from prepared and custom reports to assist in evaluating services that are responsive to patrons' needs

Timeline of Renovation Funding Requests

Libraries

- FY19 – Fox Library elevator \$200,000 Requested
- FY20 – Both libraries approved in Capital Planning
 - Design: Robbins in FY22 and Fox in FY24
- FY21 – Robbins design pushed to FY23
- FY22 – Robbins renovation **suspended** temporarily, Fox design FY25

Renovation requested



New Building requested



Detail of Current Recommendations

Libraries – 4% annual cost escalation

Robbins – removed from plan

- Original cost \$11.2M (in FY18\$)
- New estimate \$14.2M (in FY25\$)
- Larger facility serving more people
- Funding: debt and private sources



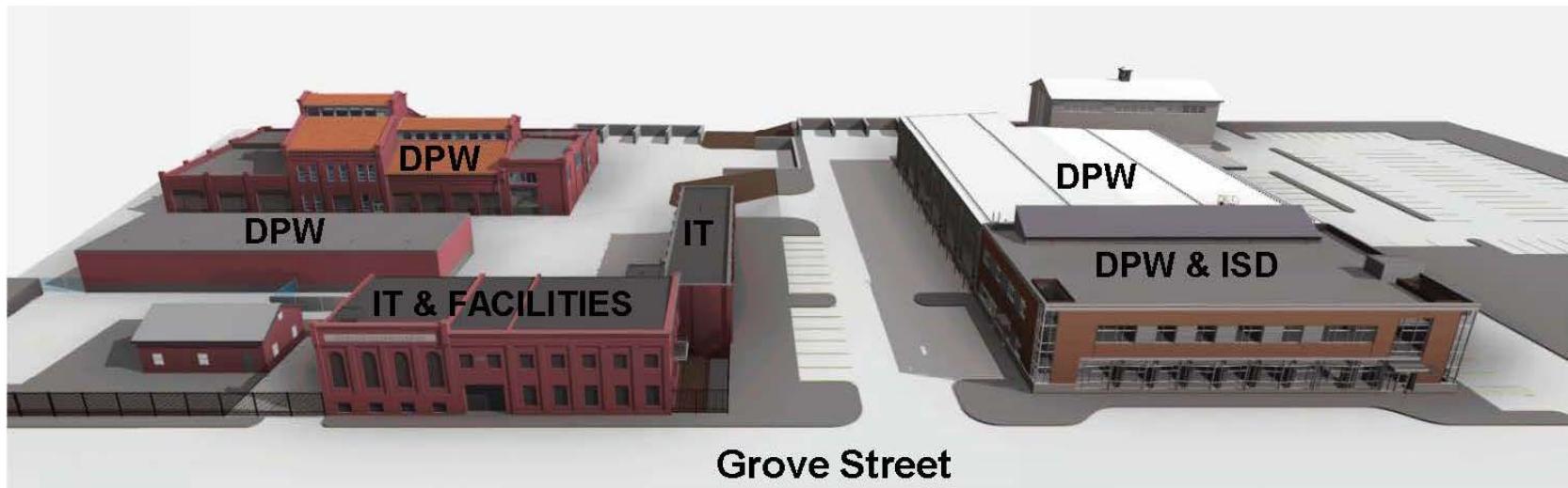
Fox – design \$900K in FY25

- Original cost \$7.8M (in FY19\$)
- New estimate \$10.2M (in FY26\$)
- Mixed-use vs. stand-alone building
- Funding: debt, private sources and possibly MBLC grant (not guaranteed)



Detail of Current Recommendations

DPW: Municipal Yard – Plan



- \$32.2M previously approved by Town Meeting in prior fiscal years
 - \$2.3M design + \$29.9M construction
- Additional \$8.9M in funding allocated at 11/16/20 Special Town Meeting
- Total construction project budget allocation now \$38.93M (ex design)
- Guaranteed Maximum Price from contractor expected by end of March

Detail of Current Recommendations

DPW: Municipal Yard – Finance Plan

	Capital Plan	Water / Sewer Fund	Total
Previous Finance Plan	\$23,050,000	\$9,153,754	\$32,203,754
	72%	28%	
Updated Finance Plan	\$29,745,197	\$9,184,803	\$38,930,000
	76%	24%	

Detail of Current Recommendations

DPW: Roadway Maintenance

Pavement Management Report (2019)

- Details on condition of all 96.5 miles of Town-maintained roadways.
- Average pavement condition index was 79: "fair condition."
- To maintain this condition, report suggests that we will need to spend ~\$2M/year over the next five years.
- Last year's plan funded at average \$1.68M/year.
- Proposed capital plan increases slightly to average \$1.71M/year; still not quite keeping up with maintaining current conditions.

Detail of Current Recommendations

DPW: Overall

DPW Division	FY22		FY23-FY26	
	<u>General</u>	<u>Vehicles</u>	<u>General</u>	<u>Vehicles</u>
Cemetery	\$10,000	-	\$40,000	\$210,000
Engineering	-	-	\$50,000	-
Highway	\$2,392,044	\$153,000	\$10,694,771	\$1,221,000
Natural Resources	-	\$132,000	-	\$537,500
Motor Equipment Repair	-	-	-	\$125,000
Water/Sewer	\$2,700,000	\$139,000	\$11,550,000	\$266,000
Total	\$5,102,044	\$424,000	\$22,334,771	\$2,359,500

Overall Total (FY22–FY26): \$30,220,315

Rescission of Prior Borrowing

Motion: VOTED No Action

The Treasurer respectfully requests a vote of favorable action on this article.

Re-appropriation of Borrowed Funds

(1 of 4)

Motion: That the sum of **\$229,792.84** is hereby transferred from amounts previously appropriated and borrowed under the following warrant articles and for the purposes set forth as follows:

[see following pages]

Re-appropriation of Borrowed Funds

(2 of 4)

Amount to be transferred	Warrant Article	Meeting Date	Original Purpose
\$ 9,018.09	30	4/25/2018	Building Security Updates
\$ 1,882.05	34	5/3/2017	Town Microcomputer Program
\$ 5,774.64	36	5/16/2016	IT/Comptroller Alarm System
\$ 30,063.82	36	5/16/2016	Cemetery Chapel/Garage Rehab
\$ 19,240.00	24	4/29/2015	Document Management
\$ 66,620.41	30	5/14/2014	Flood Mitigation Millbrook – FEMA Grant
\$ 53,683.89	33	5/8/2013	Flood Mitigation Millbrook – FEMA Grant
\$ 2,676.13	41	5/7/2012	Dept. Equipment
\$ 263.82	45	5/9/2007	Town Hall Renovations
\$189,222.85			Subtotal

Re-appropriation of Borrowed Funds

(3 of 4)

Amount to be transferred	Warrant Article	Meeting Date	Original Purpose
\$ 20,000.00	30	4/25/2018	Library HVAC
\$ 5.27	34	5/3/2017	Senior Center Plans
\$ 6,006.22	24	4/29/2015	Whittemore Robbins HVAC
\$ 26,011.49			Subtotal
\$ 14,558.50	34	5/3/2017	Gibbs School Renovation - <u>Exempt</u>

Re-appropriation of Borrowed Funds (4 of 4)

...which amounts are no longer needed to complete the projects for which they were initially borrowed, to pay costs of the following as permitted by MGL Ch. 44, §20:

Amount	New Purpose
\$189,222.85	Whittemore Park Upgrades FY22 (total project \$300,000 - still bond \$110,777.15)
\$ 26,011.49	DPW Construction Reduce borrowing in FY22
\$ 14,558.50	Arlington High School – <u>Exempt</u> Reduce other exempt borrowing

Actions Requested of the Finance Committee

- Vote favorable action on our recommended budget and re-appropriation.
- Support the Five-Year Plan.
- Transfer \$10,000 from Perpetual Care to Capital Budget.

Recommended Vote

We ask you to vote the capital expenditure budget as follows:

- (1) Re-appropriation: **\$229,792.84**
- (2) Appropriation for cash acquisitions: **\$3,959,297**
- (3) Appropriation for debt service: **\$15,752,873**
- (4) Appropriation for “other” acquisitions: **\$3,724,000**
- (5) Appropriation for bonded acquisitions, and authorization of borrowing: **\$790,000**

FY 2022		
Acquisition Expense by Funding Source		
	% of Total	
Cash	\$ 3,959,297	47%
Bond	\$ 790,000	9%
Other	\$ 3,724,000	44%
Total Acquisition Expense	\$ 8,473,297	

- Detail is attached. If we make any subsequent modifications, Fin Comm will have opportunity to review them.

FY 2022 Debt Service Appropriation by Use of Funds	
Water/Sewer Debt Service (voted separately in Water/Sewer Fund budget)	
Prior	\$ 1,331,549
New	\$ 280,000
Total Water/Sewer Debt Service	\$ 1,611,549
Rink Enterprise Fund Debt Service (voted separately in Rink Fund budget)	
Prior	\$ 54,156
New	\$ 15,918
Total Rink Fund Debt Service	\$ 70,074
Rink Fund Debt Payment	\$ 54,156
General Fund Debt Service	
Non-Exempt, Prior	\$ 5,532,821
Non-Exempt, New	\$ 1,514,543
Rink Debt subsidized by General Fund	\$ 15,918
Non-Exempt Debt Service Subtotal	\$ 7,063,282
Exempt Debt Service	\$ 8,689,591
Total General Fund Debt Service Appropriation	\$ 15,752,873
Total Prior Non-Exempt Debt Service (includes Rink)	
Total New Non-Exempt Debt Service	\$ 1,530,461
Transfers and other sources: Non-Exempt Debt	
Ambulance Fund	\$ 97,095
Antenna Fund	\$ 206,268
Urban Renewal Fund	\$ 45,744
Capital Carryforwards	\$ 539,066
Transfers and other sources Subtotal	\$ 888,173
Net General Fund Non-Exempt Debt Service Expense	\$ 6,175,109
Transfers and other sources: Exempt Debt Service	
Net General Fund Exempt Debt Service Expense	\$ 8,689,591
Net General Fund Debt Service Expense Total	\$ 14,864,700
Total GF Exempt & Non-Exempt Debt Service, less Transfers & other sources	
Cash Capital	\$ 3,959,297
Transfers and other sources	
Sale of Assets	\$ 750,000
Net General Fund Cash Capital Expense	\$ 3,209,297

Attachments

- FY 2022 Capital Budget
- FY 2022–FY 2026 Capital Plan
- Forecast of New Debt Service

In Conclusion

We respectfully ask your support of the Capital Planning Committee's budget recommendation.

thank you

The Capital Planning Committee

